

Exhibit C

1 UNITED STATES DISTRICT COURT
2 FOR THE WESTERN DISTRICT OF NORTH CAROLINA
3 CHARLOTTE DIVISION
4 CIVIL ACTION NO. 3:20-CV-00504-FDW-DSC

5 CPI SECURITY SYSTEMS, INC.,

6 Plaintiff and Counterclaim Defendant,
7 V.

8 VIVINT SMART HOME, INC. f/k/a Mosaic
9 Acquisition Corp.; and LEGACY VIVINT
10 SMART HOME, INC. f/k/a Vivint Smart Home,
11 Inc.,

12 Defendants and Counterclaimants.

13
14
15 REMOTE VIDEOTAPED VIDEOCONFERENCE DEPOSITION
16 of
17 JORGE MILLARES
18 (Taken by Plaintiff and Counterclaim Defendant)
19 at witness's stated physical location of
20 Mecklenburg County, North Carolina
21 August 31st, 2021
22 11:12 a.m.

23
24 Job No. CS4775954

25 Reported by: Leslie Christian Lentkowski

<p style="text-align: right;">Page 6</p> <p>1 A. I understand.</p> <p>2 Q. All right. Well, let's start. Tell us</p> <p>3 what line of work you're in right now.</p> <p>4 A. Currently, I am a director of sales and</p> <p>5 marketing for a retirement community.</p> <p>6 Q. And what's the name of that company?</p> <p>7 A. Alders Gate.</p> <p>8 Q. How long have you been there?</p> <p>9 A. Since November of last year -- of 2020.</p> <p>10 Q. And if you could, going back maybe, say,</p> <p>11 five or ten years just give us an outline of the</p> <p>12 various jobs that you've held.</p> <p>13 A. So before working here -- I would say, I</p> <p>14 guess, five years. We would be looking at around 2016.</p> <p>15 So I worked at CPI briefly for about a year, and after</p> <p>16 that I was the executive director of Queen City Unity,</p> <p>17 a non-profit focused on equity and equality here in</p> <p>18 Charlotte, and now I work at Alders Gate.</p> <p>19 Q. Do you still have a role at Queen City</p> <p>20 Unity?</p> <p>21 A. I am on the board of directors, yes.</p> <p>22 Q. All right. So you said you worked for CPI</p> <p>23 for a period of time. What years did you work at CPI?</p> <p>24 A. From November, I believe -- well, it was</p> <p>25 definitely from 2016 to 2017. The months, I don't feel</p>	<p style="text-align: right;">Page 8</p> <p>1 A. I don't think we had much of a</p> <p>2 relationship, I guess is probably the best way to</p> <p>3 answer that. He was the CEO and owner of the company I</p> <p>4 worked for, and I think that was the extent of the</p> <p>5 relationship.</p> <p>6 Q. Could you describe for us what you did in</p> <p>7 your job function as a call center director?</p> <p>8 A. Yeah. I led a team of about 20 --</p> <p>9 approximately 20 sales reps that were focused on</p> <p>10 retentions, and -- so, you know, folks would call.</p> <p>11 They would try to cancel their service. We would</p> <p>12 either save them. Then we also sold -- anybody moving</p> <p>13 into a home that had a CPI system, so my job was</p> <p>14 leading those efforts.</p> <p>15 Q. And did you have any co-equals, or were you</p> <p>16 the only team leader in that department?</p> <p>17 A. Within that department, I was the only</p> <p>18 person in my role. There was another call center</p> <p>19 director, but she ran the customer service side of the</p> <p>20 business.</p> <p>21 Q. And you said that you had some issues with</p> <p>22 Mr. Schockness. Can you tell us a little more about</p> <p>23 what issues you had with him?</p> <p>24 A. Yeah. You know, the easiest example I can</p> <p>25 think of was at some point, you know, sales weren't</p>
<p style="text-align: right;">Page 7</p> <p>1 comfortable saying them off the top of my head because</p> <p>2 I'm under oath and I don't remember.</p> <p>3 Q. That's fine. What was your job function at</p> <p>4 CPI?</p> <p>5 A. I was a call center director there.</p> <p>6 Q. Who were your -- who was your direct report</p> <p>7 boss?</p> <p>8 A. John Schockness.</p> <p>9 Q. How did you get along with Mr. Schockness?</p> <p>10 A. Well, okay at best. At times, there were</p> <p>11 some inflicts specifically around some racial</p> <p>12 undertones and comments that he would make to me about</p> <p>13 my role there.</p> <p>14 Q. Who else did you report to other than</p> <p>15 Mr. Schockness?</p> <p>16 A. That was it.</p> <p>17 Q. Did you know Mr. Gill at all when you</p> <p>18 worked at CPI?</p> <p>19 A. I think "know" is a powerful word. You</p> <p>20 know, I knew of him. He interviewed me the first time.</p> <p>21 Maybe we had several conversations, but I could</p> <p>22 probably count them -- you know, five to ten</p> <p>23 conversations during my short period of time there.</p> <p>24 Q. Did you feel like you had a good</p> <p>25 relationship with Mr. Gill when you were at CPI?</p>	<p style="text-align: right;">Page 9</p> <p>1 really where they needed to be, and he said something</p> <p>2 to the effect of, "Well, Jorge, if we don't get those</p> <p>3 numbers up, we're going to have to deport you." So as</p> <p>4 a United States born citizen of Hispanic descent, that</p> <p>5 was pretty offensive. That's one example that comes to</p> <p>6 mind.</p> <p>7 Q. Did you complain to anyone at CPI about</p> <p>8 Mr. Schockness's behavior?</p> <p>9 A. Him and I had a conversation where, you</p> <p>10 know, I explained to him that it's just not</p> <p>11 appropriate, but outside of that, my time thereafter</p> <p>12 was short-lived.</p> <p>13 Q. How did you leave CPI? What were the</p> <p>14 circumstances?</p> <p>15 A. Well, after that I was asked to leave, and</p> <p>16 then it was a separation agreement where we -- both</p> <p>17 parties agreed. They thought I should leave. I</p> <p>18 thought I should leave. Therefore, there was a</p> <p>19 separation agreement in place.</p> <p>20 Q. What were the circumstances of how that</p> <p>21 came about?</p> <p>22 A. It was, according to them, not a good job</p> <p>23 fit, which I guess is interesting considering I was</p> <p>24 there for about a year and a half. So I agreed that it</p> <p>25 wasn't a good job fit but not necessarily due to the</p>

<p style="text-align: right;">Page 10</p> <p>1 functions of the role itself, more so because of the 2 company culture. 3 Q. What do you mean by that? 4 A. Well, when your boss is telling you you're 5 going to get deported if you don't get numbers up, 6 that's definitely not the type of culture I want to be 7 a part of. Not to mention, you know, some of the 8 instructions that -- so for us not as much, but at 9 least on the customer service side, I heard about a lot 10 of different folks being asked to do things they didn't 11 feel comfortable with. 12 For example, if a customer asks for a white 13 technician rather than a black technician, they would 14 oblige to that. Again, it didn't come across on my 15 side of the work, but that's what I heard from some 16 customer service representatives. 17 Q. Did you ever complain about that to anyone 18 within CPI? 19 A. In terms of an official complaint to human 20 resources, no. 21 Q. Did you ever make an EEOC complaint against 22 CPI? 23 A. No. When these things came to light, 24 that's when the conversations around a potential 25 separation came up, and I just agreed and left quietly.</p>	<p style="text-align: right;">Page 12</p> <p>1 likely, from what I remember, it was either text or a 2 phone conversation. I can't remember. It was a while 3 back. 4 Q. When you separated with CPI, you said you 5 had some sort of an agreement. Do you recall what that 6 was called? 7 A. I believe it may have been called a 8 separation agreement. 9 Q. Do you know how long that agreement was set 10 to last? 11 A. In terms of the pay that was given to me? 12 Q. Yeah. And then my next question was going 13 to be whether there was anything like a 14 non-disparagement clause or anything like that in the 15 agreement if you remember? 16 A. No. I can't say that I do. 17 Q. And how long did you receive pay after your 18 separation from CPI? 19 A. It couldn't have been more than two or 20 three months. 21 Q. When you left CPI, did you retain a number 22 of e-mail addresses of CPI employees? 23 A. No. Sorry. When you say "retain," like, 24 for example, in my open letter to the mayor in 2020, 25 Mr. Kenneth Gill was on that e-mail. He had been added</p>
<p style="text-align: right;">Page 11</p> <p>1 Q. Were you ever part of an EEOC investigation 2 related to any other employees? 3 A. I do remember -- I believe there was a 4 complaint, if I'm not mistaken. I can't remember the 5 gentleman's name. And that one in particular I didn't 6 think was accurate. Therefore, I had a written 7 statement stating what I witnessed, and it did not 8 match what the complaint was. 9 Q. To the best of your recollection, 10 understanding it's been a while, what didn't match up 11 about the complaint based on what you recall occurring? 12 A. From what I recall, it was something to the 13 effect of someone being told that -- a black gentleman 14 being told that he is better off applying for a job as 15 a janitor. I didn't witness it. Therefore, I didn't 16 testify that I witnessed it. It doesn't take away from 17 the fact it may have happened, but I just personally 18 didn't witness it. 19 Q. Did you have any conversations with that 20 gentleman about the accusations he made? 21 A. Before or -- well, I guess after, right? 22 If I recall -- and I'm trying my best to remember. 23 There may have been a text message conversation or a 24 phone conversation where he expressed, you know, what 25 he witnessed happened, and -- so, yes, more than</p>	<p style="text-align: right;">Page 13</p> <p>1 to that e-mail list during my time at CPI, right. So, 2 yeah, he was on the e-mail list. 3 Q. How many other CPI employees are on the 4 e-mail list, to the best of your recollection? 5 A. I really cannot recall. I would probably 6 venture to say a handful maybe. 7 Q. When you left CPI, did you download or save 8 any information related to CPI's business? 9 A. Not at all, no. 10 Q. Do you stay in contact with any CPI 11 employees? 12 A. Current CPI employees or that ever worked 13 there? 14 Q. Current. 15 A. Current -- not that I'm aware of. I don't 16 believe they work there any longer, no. 17 Q. What CPI or former CPI employees have you 18 stayed in contact with? 19 A. Kelley Phelps, who was one of the other 20 call center directors; Dave Raleigh, who was an outdoor 21 sales manager. There was a gentleman named Yusuf who 22 reached out after the e-mail from Mr. Kenneth Gill when 23 he wrote the racist comments to me was publicized. And 24 those are the ones that come to mind right now. 25 Q. Any others you can think of?</p>

<p style="text-align: right;">Page 42</p> <p>1 himself. And in several conversations I've had, he 2 would try to say something, and she would just cut him 3 off. And from my understanding, I was told it's 4 because usually he'll say something racially 5 insensitive, but before he puts his foot in his mouth, 6 she's there to stop him. 7 (BY MR. HERBERT) 8 Q. Let me ask you about one thing you 9 testified about was that CPI -- tell me if this is 10 correct. CPI generally had a policy that if a CPI 11 customer or potential customer required to have a tech 12 or a sales rep come visit them at their home and if 13 they requested -- if they asked that CPI not send an 14 African-American person, CPI would agree to that and 15 would make efforts to make sure that the person who 16 went to that customer's house was white or Caucasian; 17 is that right? 18 MR. EBLIN: Object to form and 19 foundation. 20 THE WITNESS: Yes. That's what I was 21 told by CPI employees, yes -- former CPI employees. 22 (BY MR. HERBERT) 23 Q. Do you know whether or not that policy or 24 practice was ever brought to the attention of 25 higher-level executives at CPI?</p>	<p style="text-align: right;">Page 44</p> <p>1 what transpired? 2 A. From the story I was told, yes. That's 3 what I'm being told. 4 Q. Do you know that female employee's name -- 5 the employee at CPI? 6 A. Yes. Kelley Phelps, K-e-l-l-e-y Phelps. 7 Q. I'm sorry. What's the last name? 8 A. P-h-e-l-p-s, Phelps. 9 Q. And your understanding is she just recently 10 left CPI? 11 A. I think it's been about -- well, yeah. 12 About six months, maybe more. 13 Q. What was her title or role at CPI again? 14 A. Call center director. 15 Q. Was she there when you worked there? 16 A. She was. 17 Q. Was she one of your superiors? 18 A. No. She was my counterpart. She ran the 19 customer service side, and I ran the retention side. 20 Q. Okay. So do you recall interacting with 21 her while you worked at CPI? 22 A. Oh, yeah. Absolutely. 23 Q. Did you ever raise any of your concerns 24 about racial insensitivity at CPI to Ms. Phelps while 25 you worked there?</p>
<p style="text-align: right;">Page 43</p> <p>1 MR. EBLIN: Foundation. 2 THE WITNESS: So around that time, I 3 heard that the person that used to be my counterpart -- 4 so this was after we went public -- Queen City Unity 5 did with the letter and after Kerr Putney was hired, as 6 I understand it -- and this is, again, a third-party 7 story. But from what I've heard, Ms. Kelley Phelps, 8 who was my counterpart as a call center director, 9 brought that up to Chief Kerr Putney -- former Chief 10 Kerr Putney -- and he went and told Mr. Gill. And from 11 the story I heard, Mr. Gill said, "Well, if she doesn't 12 like it, she can leave." And after being there for 13 30 years, she's no longer there. 14 (BY MR. HERBERT) 15 Q. Let me just break that down a little bit. 16 So you're saying your understanding is that somebody 17 who worked at CPI for 30 years brought this policy or 18 practice regarding customers requesting that black 19 people not be sent to their doors to the attention of 20 Kerr Putney and possibly Mr. Gill, and CPI didn't do 21 anything about that but instead suggested that this 22 employee could leave the company if she didn't like it? 23 MR. EBLIN: Form and foundation. 24 (BY MR. HERBERT) 25 Q. Is that generally your understanding of</p>	<p style="text-align: right;">Page 45</p> <p>1 A. At times. And I think, you know, 2 especially given her tenure there, you know, typically 3 her response was something along the lines of, "Well, I 4 mean, you know how John is" -- "John" being John 5 Schockness -- or, "Well, you know how Mr. Gill is." 6 And it just came to be accepted, I guess. 7 Q. That policy or practice of allowing 8 customers to prohibit black people from coming to their 9 doors, do you know is that widespread at CPI? Was that 10 something widely known among the employees? 11 MR. EBLIN: Form and foundation. 12 THE WITNESS: I think it was more of 13 an as-needed, right. So I can't imagine that there's 14 any document that has outlined this policy. But from 15 the employees that have had to experience that, the one 16 gentleman that told me was a black man, and he said, 17 "Hey, you know" -- he got up and asked his manager, 18 "What should I do?" and they said, "Just tell them that 19 absolutely you will send a white technician without a 20 problem, and put it in the notes." 21 (BY MR. HERBERT) 22 Q. Do you know if it was put in the notes? 23 A. I wasn't there, but according to the 24 gentleman, he did write it in the notes, yes. 25 Q. Do you happen to know who -- what the name</p>

<p style="text-align: right;">Page 46</p> <p>1 of that manager was?</p> <p>2 A. I don't.</p> <p>3 Q. Who was the gentleman who told you that?</p> <p>4 A. That, I don't remember either. I had a lot</p> <p>5 of conversations from June to, like, maybe September or</p> <p>6 August with different CPI employees -- or former CPI</p> <p>7 employees. I can't recall off the top of my head,</p> <p>8 Mr. Herbert.</p> <p>9 Q. No problem. Let me ask you -- do you</p> <p>10 recall whether while you worked at CPI in the call</p> <p>11 center, do you recall anybody -- let me back up.</p> <p>12 Strike that.</p> <p>13 While you worked at CPI, do you recall any</p> <p>14 customers or potential customers calling and raising</p> <p>15 the issue of CPI's competitor, Vivint or any Vivint</p> <p>16 sales reps, that had visited any customers?</p> <p>17 A. No.</p> <p>18 Q. Do you know if CPI employees ever told</p> <p>19 customers or potential customers that Vivint wasn't</p> <p>20 licensed to work in the state of North Carolina?</p> <p>21 MR. EBLEN: Foundation.</p> <p>22 THE WITNESS: Could you repeat the</p> <p>23 question, Mr. Herbert? I'm sorry.</p> <p>24 (BY MR. HERBERT)</p> <p>25 Q. Yeah. Have you ever heard of anybody at</p>	<p style="text-align: right;">Page 48</p> <p>1 But on the first floor, which is where the</p> <p>2 sales team was, that's what I heard from some of the</p> <p>3 sales reps when they were, like, "Oh, yeah. I can</p> <p>4 easily sell against Vivint because I just talk about</p> <p>5 how -- you know, how much of a poorly ran company they</p> <p>6 are and how they're unethical as a corporation."</p> <p>7 Q. You heard that from multiple CPI sales</p> <p>8 reps?</p> <p>9 A. Um-hm.</p> <p>10 MR. EBLEN: Object to form and</p> <p>11 foundation.</p> <p>12 (BY MR. HERBERT)</p> <p>13 Q. And that was a "yes," that "um-hm"?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. One thing about a deposition is you</p> <p>16 have to give a verbal response. The court reporter</p> <p>17 can't take down the um-hms or the uh-uhs.</p> <p>18 And you heard that during the time that you</p> <p>19 worked at CPI, right?</p> <p>20 A. Yes.</p> <p>21 MR. EBLEN: Object to form and</p> <p>22 foundation.</p> <p>23 (BY MR. HERBERT)</p> <p>24 Q. When you say that you heard CPI reps say</p> <p>25 that Vivint was unethical, anything in particular that</p>
<p style="text-align: right;">Page 47</p> <p>1 CPI telling a customer or a potential customer that</p> <p>2 Vivint was not licensed to do business in</p> <p>3 North Carolina?</p> <p>4 MR. EBLEN: Foundation.</p> <p>5 THE WITNESS: You've got to remember,</p> <p>6 it's been quite some time. I do know that CPI sales</p> <p>7 agents were certainly instructed to say things about</p> <p>8 Vivint that were, quite frankly, probably more of a</p> <p>9 matter of opinion, like, "They're not telling you</p> <p>10 everything they -- there's a lot of information that</p> <p>11 they won't tell you. I wouldn't trust Vivint." Things</p> <p>12 of that nature. It wouldn't surprise me if the</p> <p>13 licensing piece may have been one of those items -- one</p> <p>14 of the bullet points to countersell Vivint.</p> <p>15 (BY MR. HERBERT)</p> <p>16 Q. Those opinions that you just testified</p> <p>17 about, what is your basis for that testimony? Did you</p> <p>18 hear that from other CPI employees?</p> <p>19 A. Yes. Particularly so as the guy -- I ran</p> <p>20 retention mostly. And then most of the customers that</p> <p>21 we dealt with from the sales perspective were just</p> <p>22 folks that were calling in because they had -- you</p> <p>23 know, the house they moved into had a CPI system, so</p> <p>24 it's easy for them to activate, so there wasn't a lot</p> <p>25 of competitive selling on my end.</p>	<p style="text-align: right;">Page 49</p> <p>1 CPI reps were saying that they claimed was allegedly</p> <p>2 unethical?</p> <p>3 MR. EBLEN: Form and foundation.</p> <p>4 THE WITNESS: They were claiming, from</p> <p>5 what I recall, a potential legal entanglement that --</p> <p>6 that's what I remember. Something to the effect of,</p> <p>7 "Well, if you look up public records, they" -- some</p> <p>8 unethical sales practices at the door or something to</p> <p>9 that effect.</p> <p>10 (BY MR. HERBERT)</p> <p>11 Q. And it's your understanding that CPI sales</p> <p>12 reps who said they could easily compete against Vivint</p> <p>13 were telling this to customers or potential customers?</p> <p>14 MR. EBLEN: Form and foundation.</p> <p>15 THE WITNESS: From what they were</p> <p>16 telling me, yes.</p> <p>17 (BY MR. HERBERT)</p> <p>18 Q. Regarding that policy and practice that you</p> <p>19 testified about Vivint agreeing to allow customers to</p> <p>20 bar African-American CPI employees from their homes,</p> <p>21 what is your personal view on that policy?</p> <p>22 MR. EBLEN: Form and foundation.</p> <p>23 THE WITNESS: I mean, I think it</p> <p>24 speaks to the discrimination, all the way from the top</p> <p>25 down, of the organization. And I think it actually</p>

<p style="text-align: right;">Page 50</p> <p>1 creates inequitable pay for technicians of color 2 because part of their goal is when they go to a 3 customer's home is to up-sell, and, you know, if you 4 are limiting the amount of homes that they can go to, 5 then you're limiting the amount of opportunities -- 6 up-sell opportunities that they have. 7 (BY MR. HERBERT) 8 Q. Did you hear of any African-American CPI 9 employees complain about that policy or practice? 10 MR. EBLN: Form and foundation. 11 THE WITNESS: Only after my time at 12 CPI, yes. 13 (BY MR. HERBERT) 14 Q. You heard that from people who reached out 15 to you after the controversy broke out? 16 A. Correct. 17 Q. Do you -- do you recall the names of any of 18 those individuals? 19 A. Not at the moment. Not at the moment, but 20 I'm pretty sure if I dig through, I can probably figure 21 it out. 22 Q. Can you give me your best estimate on how 23 many folks told you that? 24 A. I would say about five to ten. 25 Q. And were those folks people who -- were</p>	<p style="text-align: right;">Page 52</p> <p>1 to Ken Gill's attention or Chief Kerr Putney's 2 attention. 3 (BY MR. HERBERT) 4 Q. So, as far as you know, CPI still condones 5 that policy or practice? 6 A. As far as I'm concerned, yeah. I haven't 7 heard otherwise. 8 Q. Let me ask you about your decision to go 9 public with the comments from Mr. Gill that you 10 indicated you believe were racist. I believe you said 11 you consulted with the board at Queen City Unity? 12 A. Yes. 13 Q. Did you have any other input from any other 14 people about whether or not you should publicize those 15 comments? 16 A. Outside of the board? 17 Q. Yes. Um-hm. 18 A. Yeah. You know, I consulted several 19 community leaders and friends that I know. Some of 20 them were very supportive and said, "You should do it." 21 A couple of them said, "Hey, you know, he's a very rich 22 and powerful man in our city who is very much in 23 cahoots with the CMPD. You should be very careful. 24 I'm worried about you." But overall, the decision lies 25 on the board of directors, and the board voted in favor</p>
<p style="text-align: right;">Page 51</p> <p>1 some of those folks people who were still at that time 2 currently working for CPI? 3 A. The majority of them were former employees. 4 There could have been a couple that were still 5 employed, yes. 6 Q. Do you know if CPI did anything to change 7 or alter that policy or practice after this controversy 8 about Mr. Gill's comments broke out? 9 MR. EBLN: Form and foundation. 10 THE WITNESS: I do not. What I do 11 know is that Kelley Phelps who used to be my 12 counterpart at CPI, the other call center director, as 13 it was explained to me through a mutual acquaintance is 14 that when she brought it to Chief Kerr Putney and Chief 15 Kerr Putney brought it to Kenneth Gill to correct the 16 matter, that then she was asked to leave. 17 (BY MR. HERBERT) 18 Q. You're not aware of any other action that 19 CPI or the company took to attempt to resolve or remedy 20 that policy or practice? 21 MR. EBLN: Form and foundation. 22 THE WITNESS: No. At least from the 23 sound of it to me, it sounds like they were pretty 24 adamant about keeping it if it, you know, constituted 25 Ms. Kelley Phelps being asked to leave for bringing it</p>	<p style="text-align: right;">Page 53</p> <p>1 of moving forward with it which I supported and I 2 spearhead. 3 Q. With you say the CMPD, that's the 4 Charlotte-Mecklenburg Police Department? 5 A. Correct. I'm sorry, yes. 6 Q. So folks -- some folks were telling you 7 that because Mr. Gill has a very close relationship 8 with the local police department that you might be at 9 risk if you went public with this information? 10 A. Correct. Yeah. Which I did receive many 11 death threats from just people writing me letters that 12 were death threats. Yeah. 13 Q. Did you have any information as to whether 14 any of the threats you received were from current CPI 15 employees? 16 MR. EBLN: Form and foundation. 17 THE WITNESS: No. I didn't have any 18 information that would confirm that it was CPI 19 employees. 20 (BY MR. HERBERT) 21 Q. Did you suspect that? 22 A. No. Well, perhaps, yes. You know, I'm 23 pretty sure -- it would make sense for one plus one to 24 equal two. I also know that there were -- there were 25 fake Facebook profiles created with images of people of</p>